



August 20, 2019

**Erratum**

***Via ECFS***

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

Re: *Promoting Telehealth and Telemedicine in Rural America*, WC Docket No. 17-310 –  
FY2017 and 2018 Rural Rates

Dear Ms. Dortch,

Based on further consultations with the Wireline Competition Bureau, TeleQuality Communications, LLC (“TeleQuality”) hereby submits a revised version of its interstate “Method 3” rural rate justification for FY2017, which it filed on February 5, 2019, and which had subsequent corrections, and its interstate “Method 3” rural rate justification for FY2018, which it filed on June 12, 2019.<sup>1</sup> These justifications support the contract rates, reached after competitive bidding, for service to healthcare providers (“HCPs”) through the Rural Health Care Telecommunications Program.<sup>2</sup> These versions replace prior filed versions for these funding years. The entire revised justifications are attached.

In these versions, the following changes are the only ones made from the last-filed prior version:

- The working capital calculation is revised so that the revenue lag is applied against the total expenses, including federal and state, rather than against revenues.
- The working capital calculation is also shifted from being a pre-tax expense to being added after all other costs are determined, including state and federal taxes. This is consistent with how working capital has been treated in other WCB cost reviews as part of the capital base, rather than as an expense.

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<sup>1</sup> See Letter of John T. Nakahata, Counsel to TeleQuality, LLC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 17-310 (filed February 5, 2019), most recently corrected Letter of John T. Nakahata, Counsel to TeleQuality, LLC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 17-310 (filed May 24, 2019); Letter of John T. Nakahata, Counsel to TeleQuality, LLC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 17-310 (filed June 12, 2019).

<sup>2</sup> See Letter of John T. Nakahata, Counsel to TeleQuality, LLC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 17-310 (filed February 5, 2019); Letter of John T. Nakahata, Counsel to TeleQuality, LLC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 17-310 (filed June 12, 2019).

- For FY2018, the federal tax rate has been changed to 26%.<sup>3</sup>

These revised justifications are subject to a request for confidential treatment. The basis for that request is set forth in the letters that accompany the February 5, 2019 and June 12, 2019 filings; those grounds are incorporated by reference herein.

Should you have further questions or require additional information in order to grant the requested confidentiality treatment, please contact me immediately so that I can provide further assistance to resolve this matter.

Sincerely,



John T. Nakahata  
*Counsel to TeleQuality Communications, LLC*

Attachs.

cc: Preston Wise  
Trent Harkrader  
Ryan Palmer  
Elizabeth Drogula  
Johnnay Schrieber  
Darren Fernandez  
Shane Taylor

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<sup>3</sup> Subsequent years may require a different treatment.

***Attachment is redacted in its entirety.***